## Acquisition Reform Success Story

## Commercial Overhaul of C-5 Thrust Reversers

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## **Program Description**

The C-5 Thrust Reversers on the TF 39 Engine had never been overhauled. We tasked the original equipment manufacturer (OEM) to develop a Technical Order (TO) defining the overhaul process. Market research showed several contractors did similar commercial thrust reverser overhaul. We opted to competitively award, evaluating technical and past performance, and allow commercial repair procedures as long as they met or exceeded TO requirements.

## How Streamlining Made a Difference

Instead of the streamlined source selection process, we used the Performance-Price Tradeoff (PPT) procedure to shorten the acquisition lead time and still use technical and past performance as evaluation factors. A Statement of Objectives (SOO) gave the offerors greater flexibility in proposal development. Technical and past performance were key in determining which contractor presented the lowest risk. The commercial contract format was used in order to reduce the contractor and government administrative burden. Award was made to the lowest priced, technically acceptable offeror who had the lowest performance risk. An Indefinite Delivery type contract with a basic year and four one-year options was awarded for overhaul of 605 thrust reversers. Each year contains a guaranteed minimum quantity.

Measure	FROM	TO
Performance Risk	High	Low
Acquisition Lead Time	8 months	4 months
Projected Program Savings	<b>\$0</b>	\$26M

**Bottom Line**: Using PPT lowered performance risk (doing it <u>better</u>), shortened contract lead time by 50% (doing it **faster**), and reduced program cost by 25% (doing it **cheaper**).